

1 Q. Please provide a table that shows for each year 2019 to 2030, the forecast domestic
2 electricity rate, the rate with Nalcor dividends applied to offset the rate, and the
3 rate with both the Nalcor dividends applied and sinking fund payments eliminated.

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6 A. Based on the October 2018 Nalcor forecast, Table 1 below provides the following:

7 1. Forecast domestic electricity rates – Unmitigated. This rate information has
8 also been provided as part of Nalcor’s response to PUB-Nalcor-029;

9 2. Forecast domestic electricity rates – all Nalcor dividends applied. Please
10 refer to Nalcor’s response to PUB-Nalcor-032 for assumptions on Nalcor
11 dividends being applied. This rate information has also been provided as
12 part of Nalcor’s response to PUB-Nalcor-033; and

13 3. Forecast domestic electricity rates – all Nalcor dividends applied and Sinking
14 Fund Payments eliminated. The indicative rates presented are the
15 combination of Nalcor’s responses to PUB-Nalcor-033 and PUB-Nalcor-039.
16 While there are numerous interpretations of how the sinking funds could be
17 eliminated, for illustrative purposes this response assumes that only the
18 Tranche A sinking funds are eliminated. Additional information regarding the
19 sinking funds can be found in Nalcor’s responses to PUB-Nalcor-038. Details
20 of the other project financing agreements are provided in Nalcor’s
21 responses to PUB-Nalcor-018 and PUB-Nalcor-019.

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23 The forecast domestic electricity rate is assumed to refer to the Island
24 Interconnected domestic electricity rate for a residential customer.

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26 The estimated rate impact is determined based on the assumption that
27 approximately \$66 million of rate mitigation applied to Hydro’s revenue

1 requirement will result in a 1¢/KWh impact on the forecast domestic electricity
2 rates (pre HST).

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4 For further context regarding the general methodology and approach to rate
5 mitigation analyses prepared by Nalcor, please refer to Nalcor's response to PUB-
6 Nalcor-031.

Table 1

	<i>Refer to</i>	<u>2019</u> ¹	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Forecast Unmitigated Domestic Electricity Rate	PUB-Nalcor-033	12.9	14.7	21.0	21.1	21.5	21.9	22.5	22.7	22.9	23.5	23.8	24.2
Rate with Nalcor dividends applied	PUB-Nalcor-033	12.9	14.6	19.2	19.0	19.1	19.2	19.1	18.6	18.4	18.6	18.6	16.8
Rate with Nalcor dividends applied and Tranche A sinking fund payments eliminated	PUB-Nalcor-039	12.9	14.7	17.8	17.6	17.8	17.8	17.8	17.3	17.1	17.3	18.3	16.8

1. Current forecasted rate as of the October 2018 Nalcor forecast.